

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Bky. Case No. 02-83042

**Thomas Condon and
Margaret Condon,**

Debtors.

**NOTICE OF HEARING AND MOTION FOR AUTHORITY
TO SELL PROPERTY OF THE ESTATE FREE AND CLEAR
OF LIENS AND ENCUMBRANCES**

TO: THE HONORABLE NANCY C. DREHER, UNITED STATES BANKRUPTCY JUDGE;
THE DEBTORS, THOMAS CONDON, MARGARET CONDON, AND THEIR
ATTORNEY, MARGARET H. CULP; THE UNITED STATES TRUSTEE; INTERNATL
REVENUE SERVICE; MINNESOTA DEPARTMENT OF REVENUE; WOTHWEST
MINNESOTA INITIATIVE FUND; NEBRASKA ENGINEERING COMPANY; AND
ALL OTHER PARTIES IN INTEREST:

1. Dorraine A. Larison, the Trustee in the above case (the "Trustee"), moves the Court
for the relief requested below and gives notice of hearing.

2. The Court will hold a hearing on this Motion at 10:30 a.m. on October 27, 2004, in
the United States Bankruptcy Court, Courtroom #7 West, United States Courthouse, 300 South
Fourth Street, Minneapolis, Minnesota, 55415.

3. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 157 and 1334,
Bankruptcy Rule 5005 and Local Rule 1070-1. This matter is a core proceeding pursuant to 28
U.S.C. § 157(b)(2)(N). The petition commencing this case as a case under Chapter 7 was filed on
September 19, 2002, (the "Petition Date"). The case is now pending in this Court.

4. This Motion arises under 11 U.S.C. § 363(f), Bankruptcy Rules 6004 and 6007. This Motion is filed under Bankruptcy Rules 6004(c), 9013 and 9014 and Local Rules 9013-1 through 9019-1. By this Motion, the Trustee requests the entry of an order authorizing the Trustee to sell certain property of the estate described below free and clear of all pledges, security interests, liens, charges, claims and encumbrances granted, caused or suffered by or which have otherwise attached to the interest of the Debtors or their predecessors in title. The Trustee proposes to sell the property in “as is” condition to Robert Condon, or his designee, for the sum of \$134,912.00 cash.

5. Pursuant to Local Rule 9006-1(b), any response to this Motion, must be filed and delivered not later than October 18, 2004, which is seven (7) days before the time set for the hearing or filed and served by mail not later than October 13, 2004, which is ten (10) days before the time set for the hearing. **UNLESS A RESPONSE OPPOSING THE MOTION IS TIMELY FILED, THE COURT MAY GRANT THE MOTION WITHOUT A HEARING.**

STATEMENT OF FACTS

6. On the Petition Date, the Debtors were the owners of an interest in certain real property (the “Property”) located in Chippewa County, Minnesota, legally described as follows:

The East Half of the Southwest Quarter (E ½ SW ¼) of Section Thirty-five (35), Township One Hundred Eighteen (118), Range Thirty-eight (38), Chippewa County, Minnesota, containing 80 acres, more or less. (the “Property”)

7. The estate’s interest in the Property is subject to a judgment lien in favor of Southwest Minnesota Foundation from an Entry of Judgment in *SW MN Initiative v. IGM, Inc.* case number CO-96-000199 entered May 28, 1996 and docketed June 6, 1996 in the amount of \$60,836.55.

8. The estate's interest in the Property is subject to a judgment lien in favor of Nebraska Engineering Company from an Entry of Judgment in *Nebraska Engineering Co. v. Condon Inc., and Thomas Condon*, case number C8-02-000025 entered November 15, 2001 and docketed January 18, 2002 in the amount of \$30,147.10.

9. The estate's interest in the Property is subject to a Federal Tax Lien in the amount of \$57,408.79 recorded February 27, 2004 as document number 260531. The Federal Tax Lien was filed after the Petition date, therefore the Federal Tax Lien is avoidable. The IRS has consented to the sale of the property and the ability of the Trustee to avoid the post-petition lien.

10. The estate's interest in the Property is subject to a Federal Tax Lien in the amount of \$35,607.32 recorded July 1, 2003 as document number 257654. The Federal Tax Lien was filed after the Petition date, therefore the Federal Tax Lien is avoidable. The IRS has consented to the sale of the property and the ability of the Trustee to avoid the post-petition lien.

11. The estate's interest in the Property is subject to a State Tax Lien filed by the State of Minnesota in the amount of \$32,896.59 recorded March 17, 2003 as document number 256126. The State Tax Lien was filed after the Petition date, therefore the State Tax Lien is avoidable. The Minnesota Department of Revenue has consented to the sale of the property and the ability of the Trustee to avoid the post-petition lien.

12. The Trustee has considered the income tax consequences of the sale. Based upon the information available to the Trustee, the Trustee has concluded that the sale of the Property by the Trustee will result in income tax liabilities for the estate. Based upon the information available to the Trustee, the Trustee has concluded that such tax liabilities will not exceed the proceeds and that a significant portion of the funds will be available to the estate for distribution to creditors.

16. Based upon the information available to the Trustee, the Trustee believes that a sale of the Property to Robert Condon will result in estimated net proceeds to the estate of \$43,000.00, not including income taxes and attorney fees for this motion.

17. The Trustee believes that closing the sale is in the best interest of the estate and creditors. The Trustee believes that the selling price is appropriate. The Trustee believes that the closing of the sale will result in substantial dividends to the creditors of the estate.

WHEREFORE, Dorraine A. Larison, moves the Court for the entry of an order as follows:

1. Authorizing the Trustee to sell, transfer and convey pursuant to 11 U.S.C. § 363(f), the Property to Robert Condon, or his designee, for the sum of \$134,912.00 cash, and directing the Trustee to execute and deliver to Robert Condon, or his designee, a Trustee's Deed. Such Transfer of the estate's interest in the Property shall be free and clear of the following pledges, security interests, liens, charges, claims, or encumbrances granted, caused or suffered by, or which have otherwise attached to the interest of the Debtor, or any of his predecessors in title, including, without limitation, the following:

- a. The lien, if any, of Nebraska Engineering Company pursuant to an Entry of Judgment in case number C8-02-000025 entered November 15, 2001 and docketed January 18, 2002.
- b. The lien, if any, of Southwest Minnesota Initiative Fund pursuant to an Entry of Judgment in case number C0-96-000199 entered May 28, 1996 and docketed June 06, 1996.
- c. The lien, if any, of the Internal Revenue Service for unpaid taxes recorded on February 27, 2004 as Document No. 260531.
- d. The lien, if any, of the Internal Revenue Service for unpaid taxes recorded on July 1, 2003 as Document No. 257654.
- e. The lien, if any, of the State of Minnesota for unpaid taxes recorded on March 17, 2003 as Document No. 256126.

2. The following liens, encumbrances, and interests shall be unaffected by the Court's order authorizing such sale, except that each lienholder has agreed to waive any claim for interest on the judgment amounts:

a. The lien, if any, of Southwest Minnesota Initiative Fund pursuant to an Entry of Judgment in case number C0-96-000199 entered May 28, 1996 and docketed June 06, 1996.

b. The lien, if any, of Nebraska Engineering Company pursuant to an Entry of Judgment in case number C8-02-000025 entered November 15, 2001 and docketed January 18, 2002.

3. Authorizing and directing the Trustee to pay from any such sale proceeds to Southwest Minnesota Foundation the amount owing as of the date of closing on the judgment granted to Southwest Minnesota Foundation, entered May 28, 1996, docketed June 6, 1996.

4. Authorizing and directing the Trustee to pay from any such sale proceeds to Nebraska Engineering Company the amount owing as of the date of closing on the judgment granted to Nebraska Engineering Company, entered November 15, 2001 and docketed January 18, 2002.

5. Authorizing and directing the Trustee to pay from any such sale proceeds the Minnesota deed tax imposed upon the delivery of the deed to Robert Condon, or his designee.

6. Requiring the Debtors to cooperate with the Trustee in all matters relating to the sale of the Property.

7. Authorizing the Trustee to execute and deliver any related or ancillary document which may be necessary to complete the sale of the Property contemplated herein; and,

8. Granting such other and further relief as is just and equitable.

Dated this 29th day of September, 2004.

/e/ Dorraine A. Larison
Dorraine A. Larison
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(320) 252-4414
Attorneys for the Trustee

VERIFICATION

Dorraine A. Larison, the moving party named in the foregoing Notice of Hearing and Motion, declares under penalty of perjury that the foregoing is true and correct according to the best of my knowledge, information and belief.

/e/ Dorraïne A. Larison
Dorraine A. Larison

GP:1600261 v1

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Bky. Case No. 02-83042

**Thomas Condon and
Margaret Condon,**

Debtors.

**MEMORANDUM OF LAW IN SUPPORT OF MOTION FOR AUTHORITY
TO SELL PROPERTY OF THE ESTATE FREE AND CLEAR
OF LIENS AND ENCUMBRANCES**

The Trustee submits this memorandum of law in support of her motion to sell the estate's interest in certain real property located in Chippewa County, Minnesota (the "Property"). The relevant factual background for the motion is set forth in detail in the motion itself.

ARGUMENT

Section 363(f) of the Bankruptcy Code provides as follows:

- (f) The Trustee may sell property under subsection (b) or (c) of this section free and clear of any interest in such property of any entity other than the state, only if –
- (1) applicable nonbankruptcy law permits sale of such property free and clear of such interest;
 - (2) such entity consents;
 - (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
 - (4) such interest is in bona fide dispute; or
 - (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f) (1998). Section 363(f) is written in the disjunctive; therefore, “the sale free of the interest concerned can occur if any one of the conditions of section 363(f) have been met.” 2 Collier on Bankruptcy, ¶ 363.07 (15th Ed.); In re Red Oak Farms, Inc., 36 B.R. 856, 858 (Bky. W.D. Mo. 1984).

In this case it is clear that the Trustee can satisfy the conditions specified in section 363(f) for each lien or encumbrance proposed to be extinguished by the court, should the motion be granted. A review of each lien or encumbrance will establish that the Trustee’s motion to sell the Property free and clear of liens should be granted by the court.

For each of the liens or encumbrances, section 363(f) allows the court to approve the sale. Generally, a creditor who receives notice of the sale and fails to file a timely objection impliedly consents to the sale. In re Elliot, 94 B.R. 343 (Bky. E.D. Pa. 1988); In re Gabel, 61 B.R. 661 (Bky. W.D. La. 1985). At this time it is impossible to make a determination as to whether the entities involved in this motion will object to the sale. However, if no objections are filed, the court should grant the motion based on the consent of the interest holders.

Even if an interest holder objects, it is clear that all of the interests in the Property fall within the provisions of section 363(f). The Internal Revenue Service, and the State of Minnesota have agreed to release their judgment liens because each of these liens were obtained post petition. Therefore, the Internal Revenue Service, and the State of Minnesota have consented to the sale of the property without payment of their judgment liens. The remaining liens held by Southwest Minnesota Initiative Fund and Nebraska Engineering Company fall within the provisions of 363(f)(3) because the price at which the Property is to be sold is greater than the value of the lien. Therefore, there is no basis for these lien holders to object to the sale.

In addition, the Southwest Minnesota Initiative Fund and Nebraska Engineering Company have consented to the sale and waived any interest due on their judgment liens.

CONCLUSION

As the verified motion of the Trustee indicates, the sale of this property free and clear of liens would be in the best interest of creditors. The interests in the property all fall within the provisions of section 363(f) which would allow the sale. Therefore, the court should grant the Trustee's motion.

Dated this 29th day of September, 2004.

/e/ Dorraine A. Larison
Dorraine A. Larison
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Attorneys for the Trustee

GP:1600638 v1

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Chapter 7
Bky. Case No. 02-83042

Thomas Condon and
Margaret Condon

UNSWORN CERTIFICATE OF SERVICE

Debtors.

I, Joy Remer, declare under penalty of perjury that on September 29, 2004, I mailed the following documents:

1. **NOTICE OF HEARING AND MOTION FOR AUTHORITY TO SELL PROPERTY OF THE ESTATE FREE AND CLEAR OF LIENS AND ENCUMBRANCES;**
2. **MEMORANDUM OF LAW IN SUPPORT OF MOTION FOR AUTHORITY TO SELL PROPERTY OF THE ESTATE FREE AND CLEAR OF LIENS AND ENCUMBRANCES;**
3. **ORDER APPROVING SALE OF REAL ESTATE FREE AND CLEAR OF LIENS; AND**
4. **UNSWORN CERTIFICATE OF SERVICE.**

by first class mail postage prepaid to each entity named below at the address stated below for each entity:

SEE ATTACHED SERVICE LIST

Executed on: September 29, 2004

/e/ Joy Remer
Joy Remer
GRAY, PLANT, MOOTY,
MOOTY & BENNETT, P.A.
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GRAIN BELT SUPPLY CO., INC.
217 E. DIAMOND SR.
P.O. BOX 615
SALINA KS 67402-0615

GRAINLAND CONSTRUCTION LLC
P.O. BOX 685
CLARA CITY MN 56222

GRANITE REDI-MIX
EAST HWY 212
P.O. BOX 183
GRANITE FALLS MN 56241

GRAY CONSTRUCTION
180 SECOND STREET NE
WATERTOWN SD 57201-0123

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PO BOX 70
GRANITE FALLS MN 56241

H.A. & J.L. WOOD, INC.
231 3RD STREET, P.O. BOX 369
PEMBINA ND 58271

HARMON AUTO GLASS
P.O. BOX 74843
CHICAGO IL 60694-4843

HASTINGS EQUITY GRAIN BIN MFG.
P.O. BOX 1007
HASTINGS NE 68902-1007

HENRICH & SONS, INC.
R.R. 1 BOX 62
BELLINGHAM MN 56212

HERC-U-LIFT
5655 HIGHWAY 12 WEST
MAPLE PLAIN MN 55359

HERSCHEL
P.O. BOX 1574
DES MOINES IA 50306

HI ROLLER
5100 W. 12TH STREET
SIOUX FALLS SD 57107-0514

HOLSCHLAG DISTRIBUTORS
2171 KENWOOD AVENUE
NEW HAMPTON IA 50659

HORN PLASTICS INC.
P.O. BOX 5312
FARGO ND 58105

IMPERIAL PREMIUM FINANCE, INC.
P.O. BOX 73095
CHICAGO IL 60673-7095

INPAK SYSTEMS, INC.
540 TASMAN STREET
MADISON WI 53714

INTERBAY FUNDING LLC
2601 SOUTH BAYSHORE DRIVE,
SUITE 400
MIAMI FL 33133

INTERSYSTEMS, INC.
P.O. BOX 3480
OMAHA NE 68103-0480

IRON AGE CORPORATION
P.O. BOX 1449
PITTSBURGH PA 15230-1449

IRS
DEPARTMENT OF TREASURY
CINCINNATI OH 45999-0030

IRS, C/O GARY SWENSON
DEPARTMENT OF TREASURY
CINCINNATI OH 45999-0030

J & D SALES INC. OF EAU CLAIRE
6200 HWY 12
EAU CLAIRE WI 54701

J. & D. CONSTRUCTION, INC.
P.O. BOX 793
MONTEVIDEO MN 56265

JERRY'S GARAGE
34 NW 1ST AVENUE
CLARA CITY MN 56222

JET PERMIT, LTD
P.O. BOX 349
HALES CORNERS WI 53130-0349

JOHN'S RADIATOR & SMALL ENGINE
310 NW 1ST STREET
P.O. BOX 666
CLARA CITY MN 56222

JON CLASON/CHIPPEWA TAXES
629 N. 11TH STREET
MONTEVIDEO MN 56265

JON SAUNDER, ANDERSON LARSON
HANSON & SAUNDERS
331 SW 3RD STREET
PO BOX 130
WILLMAR MN 56201

JONVER CRANE SERVICE, INC.
P.O. BOX 189
WABASSO MN 56293

KALENDA & ASSOCIATES
P.O. BOX 902
SAINT CLOUD MN 56302

LARRY KIDROWSKI
12030 10TH STREET NE
CLARA CITY MN 56222

LEE & BERNER, LTD
416 NORTH 1ST STREET
P.O. BOX 431
MONTEVIDEO MN 56265

LJ INDUSTRIES, INC
P.O. BOX 274
1811 CLEVELAND AVENUE
CHARLES CITY IA 50616-0274

LORRICH IND. INC.
9265 HWY 89
EDMORE ND 58330

LP GAS & EQUIPMENT
881 HERSEY STREET
SAINT PAUL MN 55114

MARTING MFG. OF IOWA, INC.
P.O. BOX 67
DOUGHERTY IA 50433

MCMaster-CARR SUPPLY
COMPANY
P.O. BOX 7690
CHICAGO IL 60680-7690

METAL SALES MFG.CORP
22651 INDUSTRIAL BLVD
ROGERS MN 55374

MFS/YORK
MS 0710, P.O. BOX 3366
OMAHA NE 68176-0710

MFS/YORK/STORMER V. CONDON, IN
P.O. BOX 447
332 SIBLEY AVENUE
GAYLORD MN 55334

MIDWEST TRUCK & PARTS, INC.
HIGHWAY 212
P.O. BOX 1005
DAWSON MN 56232

MIDWEST WIRELESS
P.O. BOX 64414
SAINT PAUL MN 55164-0414

MILL & ELEVATOR SUPPLY CO, INC
1604 N. TOPPING STREET
KANSAS CITY MO 64120

MINNEAPOLIS EQUIPMENT CO.
520 SECOND STREET SE
MINNEAPOLIS MN 55414-2193

MINNESOTA DEPT. OF REVENUE
MAIL STATION 1750
SAINT PAUL MN 55145-1750

MINNESOTA DEPT OF REVENUE, C/O
DENISE
MAIL STATION 1750
ST PAUL MN 55145-1750

MINNESOTA DEPT OF REVENUE,
BANKRUPTCY SECTION
PO BOX 64447
ST PAUL MN 55164

MINNESOTA ELECTRIC SUPPLY CO.
1209 E. HWY 12
P.O. BOX 997
WILLMAR MN 56201

MINVALCO INC.
3340 GORHAM AVENUE
MINNEAPOLIS MN 55426-4267

MN CHILD SUPPORT PAYMENT CNTR
P.O. BOX 64306
SAINT PAUL MN 55164

MN DEPT. OF ECONOMIC SECURITY
UNEMPLOYMENT INSURANCE TAX
390 N. ROBERT STREET
SAINT PAUL MN 55101

MN DEPT. OF ECONOMIC SECURITY
390 N. ROBERT STREET
SAINT PAUL MN 55101

MONTE TIRE & SERVICE
319 CANTON AVENUE
MONTEVIDEO MN 56265

MONTIVIDEO CLINIC, P.A.
908 11TH STREET N
MONTEVIDEO MN 56265-0716

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NAPA - MONTEVIDEO
353 WILKINS STREET
MONTEVIDEO MN 56265

NATIONAL CREDIT SYSTEMS, INC.
FOR HOLSCHLAG DISTRIBUTORS
11 EAST 36TH STREET, 10TH FL.
NEW YORK NY 10016

NEBRASKA ENG. V. CONDON, INC.
C/O MEYER & NJUS, P.A.
1100 PILLSBURY CTR.
MINNEAPOLIS MN 55402

NEBRASKA ENGINEERING COMPANY
9364 N 45TH ST
PO BOX 12277
OMAHA NE 68152

STEVE LINDER, MEYER & NJUS PA
200 S 6TH ST #1100
MINNEAPOLIS MN 55402

NECO
DEPARTMENT #1258
DENVER CO 80291-1260

NELSON OYEN TORVIK
P.O. BOX 656
MONTEVIDEO MN 56265

NEW HORIZON GRAIN SYSTEMS
ATWATER MN 56209

NOLIN MILLING, INC.
P.O. BOX 156
DICKENS IA 51333

NORFORK IRON & METAL
3000 NORTH VICTORY RD
NORFOLK NE 68701

NORTH STAR GEAR, INC.
501 MALCOLM AVENUE SE
MINNEAPOLIS MN 55414

NORTHERN STATES SUPPLY, INC.
P.O. 1057
WILLMAR MN 56201

NORTHWEST LASERS, INC.
2200 UNIVERSITY AVENUE
SUITE 100
SAINT PAUL MN 55114

NOTT COMPANY
P.O. BOX 1422
MINNEAPOLIS MN 55440-1422

OLESON CHAIN & CABLE CO.
P.O. BOX 970
COKATO MN 55321

PEERLESS MACHINERY CO
P.O. BOX 769
500 S. VANDEMARK RD.
SIDNEY OH 45365

PETERSON, BUTCH, MBNA AMERICA
20499 72ND ST NW
PENNOCK MN 56279

PHILLIP O. PETERSON
103 1/2 N. 3RD STREET
BERESFORD SD 57004

PIPESTONE CONCRETE
620 3RD AVENUE SE
PIPESTONE MN 56164

POST AGRI SUPPLY, INC.
27208 ROBISON ROAD
MORTON IL 61550

POTTER ELECTRIC COMPANY
P.O. BOX 308
MONTEVIDEO MN 56265-0308

PREAGRO INC.
P.O. BOX 53450
BELLEVUE WA 98015-3450

PRO EQUIPMENT SALES, INC.
2630 W. LINCOLN
OLIVIA MN 56277

R.C. PETERSON ELECTRIC INC.
667 PRENTICE STREET
GRANITE FALLS MN 56241

R.F.S.
P.O. BOX 311
AURORA NE 68818

R.R HOWELL COMPANY
EAST HWY 55
P.O. BOX C
ANNANDALE MN 55302

RAPAT CORPORATION
ROUTE #2, BOX #2
HAWLEY MN 56549

REDA PUMP MAN
10226 HWY 10
GLADSTONE ND 58630

RHODE'S FAMILY FOODS
18 EAST CENTER AVENUE
P.O. BOX 645
CLARA CITY MN 56222-0645

ROAD MACHINERY & SUPPLIES CO.
SDS 12-0749
P.O. BOX 86
MINNEAPOLIS MN 55486-0749

ROLLER MILL SERVICE COMPANY
27116 GRUMMAN AVENUE
TEA SD 57064-8113

ROTHERS CONSTRUCTION INC.
1500 PACIFIC AVE
P.O. BOX 554
KERKHOVEN MN 56252-0554

S-M ENTERPRISES, INC.
2310 6TH STREET SOUTH
MOORHEAD MN 56560

SCANDA INTERNATIONAL, INC.
2950 BOTHAN
MONTREAL QU

SCHEFUS, LARRY TRUCKING INC.
P.O. BOX 545
REDWOOD FALLS MN 56283

SCHLAGEL, INC.
P.O. BOX 1450
MINNEAPOLIS MN 55484-8094

SCHLAGEL, INC. V. CONDON, INC.
P.O. BOX 1450
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SEW BUSY @ JIM'S
102 NORTH 1ST STREET
MONTEVIDEO MN 56265

SHEBOYGAN PAINT COMPANY
471 THIRD STREET NORTH
P.O. BOX 557
DASSEL MN 55325-0055

SHERWIN-WILLIAMS
2807 SOUTH FIRST STREET
WILLMAR MN 56201

SIEGEL, BRILL, GREUPNER, DUFFY, &
FOSTER, P.A.
100 WASHINGTON AVENUE SOUTH
MINNEAPOLIS MN 55401

SIOUX CITY FOUNDRY CO.
801 DIVISION STREET
P.O. BOX 3067
SIOUX CITY IA 51102-3067

SMALL BUSINESS ADMINISTRATION
P.O. BOX 740192
ATLANTA GA 30374-0192

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CLARA CITY MN 56222-0217

SOUTHSIDE TERRY EPEMA
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SPEISER JAMES AND PAUL
BOX 773
CLARA CITY MN 56222

SPREAD-ALL MFG. CO.
2237 MARSHALLTOWN BLVD.
MARSHALLTOWN IA 50158

STATE OF MINNESOTA, DEPT. OF
LABOR AND INDUSTRY
443 LAFAYETTE ROAD
SAINT PAUL MN 55155-4304

STATE OF MINNESOTA, DEPT OF
MANPOWER SERVICES
390 N ROBERT ST
ST PAUL MN 55101

STRATA CONCRETE
539 DETWEILLER DR.
GRAFTON ND 58237

SUDENGA INDUSTRIES, INC.
P.O. BOX 8
GEORGE IA 51237

SUKUP MANUFACTURING COMPANY
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SHEFFIELD IA 50475

SW MN INIT. FUND V. IGM, INC.
1390 HWY. 15 SOUTH
P.O. BOX 428
HUTCHINSON MN 55350

SW MN INITIATIVE FUND
C/O SHERRY RISTAV
1390 HWY. 15 SOUTH
P.O. BOX 428
HUTCHINSON MN 55350

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C/O DORSEY & WHITNEY LLP
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MINNEAPOLIS MN 55402-1498

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T & C ENTERPRISES
RT. 2 BOX 10
GRANITE FALLS MN 56241-9507

T & D TRUCKING, INC.
5070 110TH AVENUE NE
KERKHOVEN MN 56252

TAPCO, INC.
P.O. BOX 952086
SAINT LOUIS MO 63195-0286

TEBBEN ENTERPRISES
10009 HWY 7 SE
CLARA CITY MN 56222

TECH SALES CO.
311 WEST 44TH STREET
MINNEAPOLIS MN 55409

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SIOUX FALLS SD 57105

THOMA OIL, INC.
BOX 668
CLARA CITY MN 56222

THORSTAD CONSTRUCTION CO., INC
P.O. BOX 275
MAYNARD MN 56260

TOP AIR MANUFACTURING INC.
P.O. BOX 631971
CINCINNATI OH 45263-1971

TRADE & TECHNOLOGY, INC.
P.O. BOX 649
CLARA CITY MN 56222

TRANSAMERICA INSURANCE
FINANCI
170 LAWRENCE BELL DRIVE
BUFFALO NY 14221-7880

TRANSCOM PAYMENT SERVICES
810 FIRST STREET SO. STE 220
HOPKINS MN 55343

TRI-COUNTY ELECTRIC MOTOR
30335 U.S. HWY 12
LITCHFIELD MN 55355

UBC-CLARA CITY
107 S. MAIN STREET
P.O. BOX 240
CLARA CITY MN 56222

UMKOSHER, UPPER MIDWEST
KASHRUT
1001 PRIOR AVENUE S.
SAINT PAUL MN 55116

UNISTRUT DISTRIBUTION
8083 RANCHERS ROAD
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UNITED STATES TRUSTEE
1015 U S COURTHOUSE
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COLUMBUS OH 43271

UNIVERSAL IND.
P.O. BOX 308
CEDAR FALLS IA 50613

VISIBLE COMPUTER SUPPLY CORP.
BOX 93363
CHICAGO IL 60673-3363

VITRAN EXPRESS, INC.
6500 EAST 30TH STREET
P.O.BOX 7004
INDIANAPOLIS IN 46219

W.W. GRAINGER, INC.
DEPT. 495-806551149
PALATINE IL 60038-0001

WEARDA IMPLEMENT
BOX 646
CLARA CITY MN 56222

WEST CENTRAL STEEL, INC.
P.O. BOX 1178
WILLMAR MN 56201-1178

WEST CENTRAL TRIBUNE
P.O. BOX 839
WILLMAR MN 56201

WEST PLAINS IMPLEMENT
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CIRCLE MT 59215

WESTBURNE SUPPLY INC.
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MINNEAPOLIS MN 55485

WESTEEL
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FARGO ND 58107

WESTEEL
PO BOX 792
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WESTERN GRAIN DRYER INC.
123 DACOTAH ROAD
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WESTERN MN REV. LOAN FUND,
GRANITE FALLS ECON. DEV. AUTH.
885 PRENTICE STREET
GRANITE FALLS MN 56241

WESTERN MN REV LOAN FUND
323 SCHLIEMAN AVE
APPLETON MN 56208

WESTFIELD INDUSTRIES LTD
200 8TH STREET WEST
WEST FARGO ND 58078

WESTVIEW SALES
700 SPIRAL BLVD.
HASTINGS MN 55033

WINDON READY MIX
1405 COTTONWOOD LAKE DRIVE
WINDOM MN 56101-1275

XCEL ENGERY
P.O. BOX 9477
MINNEAPOLIS MN 55484-9477

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Bky. Case No. 02-83042

**Thomas Condon and
Margaret Condon,**

Chapter 7

Debtors.

ORDER APPROVING SALE OF REAL ESTATE FREE AND CLEAR OF LIENS

This matter came on for hearing on October 27, 2004, on the Trustee's Motion for Authority to Sell Property of the Estate Free and Clear of Liens and Encumbrances. The Court, having reviewed the motion and having considered the evidence and matters on file herein, makes the following Order pursuant to the Federal Rules of Bankruptcy Procedure:

IT IS HEREBY ORDERED:

1. The Trustee's motion shall be and hereby is granted.
2. The Trustee shall be and hereby is authorized to sell, transfer and convey to Robert Condon, or his designee, for the sum of \$134,912.00 cash, all of the estate's right, title and interest in and to certain real property in Chippewa County, Minnesota legally described as follows:

The East Half of the Southwest Quarter (E ½ SW ¼) of Section Thirty-five (35), Township One Hundred Eighteen (118), Range Thirty-eight (38), Chippewa County, Minnesota, containing 80 acres, more or less. (the "Property")

3. Pursuant to 11 U.S.C. § 363, the sale of the estate's interest in the Property shall be and hereby is free and clear of the following pledges, security interests, liens, charges, claims, or encumbrances and other interests (collectively, the "Interests") granted, caused or suffered by, or which have otherwise attached to the interest of the Debtors, or any of their predecessors in title, which Interest shall attach to the proceeds of the sale.

4. Notwithstanding the foregoing, the Property shall remain subject to:

- a. The lien, if any, of Southwest Minnesota Initiative Fund pursuant to an Entry of Judgment in case number C0-96-000199 entered May 28, 1996 and docketed June 06, 1996.
 - b. The lien, if any, of Nebraska Engineering Company pursuant to an Entry of Judgment in case number C8-02-000025 entered November 15, 2001 and docketed January 18, 2002.
5. The Trustee is hereby authorized and directed to pay from the sale proceeds:
 - a. To Southwest Minnesota Initiative Fund the amount of the lien pursuant to an Entry of Judgment in case number C0-96-000199 entered May 28, 1996 and docketed June 06, 1996. No interest shall be paid on the judgment amount.
 - b. To Nebraska Engineering Company pursuant to an Entry of Judgment in case number C8-02-000025 entered November 15, 2001 and docketed January 18, 2002. No interest shall be paid on the judgment amount.
 - c. The Minnesota deed tax imposed upon the delivery of the deed to Robert Condon, or his designee.
6. The Debtors shall cooperate with the Trustee in all matters relating to the sale of the Property.
7. The Trustee is hereby authorized to execute and deliver any related or ancillary documents which may be necessary to complete the sale of the Property contemplated herein.

Dated: _____, 2004

BY THE COURT

Judge Nancy C. Dreher
United States Bankruptcy Judge